



Franklin Templeton Alternatives Funds Franklin K2 Electron Global UCITS Fund

Alternative
LU2343874645
31 January 2023

Fund Fact Sheet

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Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	208 million
Fund Inception Date	30.09.2019
Number of Issuers Long (excl. cash)	40
Number of Issuers Short (excl. cash)	51
Benchmark	Secured Overnight Financing Rate (SOFR), MSCI World Utilities Sector Index
Investment Style	Alternative
Fund Domicile	Luxembourg
Fund Type	UCITS
Subscription	Daily
Redemption	Daily
Morningstar Category™	Long/Short Equity - Other
EU SFDR Category	Article 8

Summary of Investment Objective

The Fund seeks to achieve an absolute return by investing primarily in equity and equity-related securities of companies active in the infrastructure and global utility sector located in North America, Europe and Asia-Pacific, and to a lesser extent in Latin America, including emerging markets.

Fund Management

Jos Shaver: United States

Portfolio Exposure (% of Total)

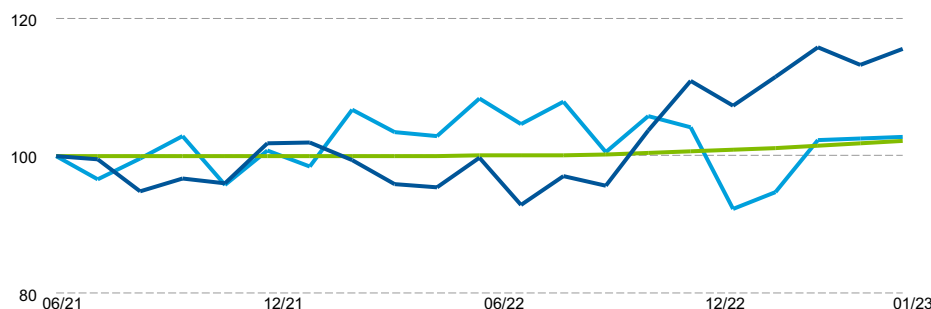
Gross Exposure	138.80
Net Exposure	26.86
Long Exposure	82.83
Short Exposure	-55.97

Performance

Past performance does not predict future returns.

Performance Since Inception in Share Class Currency (%)

■ Franklin K2 Electron Global UCITS Fund J PF (acc) USD ■ Secured Overnight Financing Rate (SOFR)
■ MSCI World Utilities Sector Index



Discrete Annual Performance in Share Class Currency (%)

	01/22	01/21	01/20	01/19	01/18	01/17	01/16	01/15	01/14	01/13
	01/23	01/22	01/21	01/20	01/19	01/18	01/17	01/16	01/15	01/14
J PF (acc) USD	20.54	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Secured Overnight Financing Rate (SOFR) in USD	2.17	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI World Utilities Sector Index in USD	-0.58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Secured Overnight Financing Rate (SOFR) in EUR	5.46	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI World Utilities Sector Index in EUR	2.62	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Performance in Share Class Currency (%)

	Cumulative					Annualised
	1 Mth	6 Mths	YTD	1 Yr Since Incept	15.60	Since Incept
J PF (acc) USD	2.03	11.48	2.03	20.54	15.60	9.23
Secured Overnight Financing Rate (SOFR) in USD	0.36	1.73	0.36	2.17	2.20	1.33
MSCI World Utilities Sector Index in USD	0.23	-2.84	0.23	-0.58	2.85	1.72
Secured Overnight Financing Rate (SOFR) in EUR	-1.38	-4.49	-1.38	5.46	14.54	8.62
MSCI World Utilities Sector Index in EUR	-1.51	-8.78	-1.51	2.62	15.27	9.03

Calendar Year Performance in Share Class Currency (%)

	2022
J PF (acc) USD	13.98
Secured Overnight Financing Rate (SOFR) in USD	1.81
MSCI World Utilities Sector Index in USD	-3.88
Secured Overnight Financing Rate (SOFR) in EUR	8.48
MSCI World Utilities Sector Index in EUR	2.42

The fund's returns may increase or decrease as a result of changes to foreign exchange rates.

The value of shares in the fund and income received from it can go down as well as up, and investors may not get back the full amount invested. All performance data shown is in the currency stated, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations. The fund offers other share classes subject to different fees and expenses, which will affect their performance.

Top Exposures (% of Total)

Long Exposures (Equity Only)

Issuer Name	
GENERAL ELECTRIC CO	7.17
NEXTERA ENERGY INC	6.06
AES CORP/THE	5.50
MASTEC INC	5.20
CONSTELLATION ENERGY CORP	4.96

Short Exposures (Equity Only)

Issuer Name	
S&P 500 INDEX	-5.09
INDUSTRIALS	-4.50
MULTI-UTILITIES	-3.78
EQUITY REAL ESTATE INVESTMENT TRUSTS (REITS)	-2.92
NASDAQ 100 STOCK INDX	-2.49

Fund Measures

Value at Risk (VaR)	-6.15%
Standard Deviation (1 Yr)	15.10%
Sharpe Ratio (1 Yr)	1.22
Alpha (1 Yr)	20.05%
Beta (1 Yr)	0.55
R-Squared (1 Yr)	44.70%
Correlation (1 Yr)	0.67
% Maximum Drawdown (1 Yr)	-6.91%
Drawdown Period: 02/22-03/22	

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Share Class	Incept Date	NAV	TER (%)	Fees	Dividends		Fund Identifiers		
				Max. Annual Charge (%)	Frequency	Last Paid Date	Last Paid Amount	Bloomberg ID	ISIN
J PF (acc) USD	10.06.2021	USD 11.56	0.75	0.60	N/A	N/A	N/A	FREGUJU LX	LU2343874645

The Performance Fee is 18.00% and the Hurdle is Secured Overnight Financing Rate (SOFR)+3%. Please see the "Performance Fees" disclosure in the Important Information section.

The charges are the fees the fund charges to investors to cover the costs of running the Fund. Additional costs, including transaction fees, will also be incurred. These costs are paid out by the Fund, which will impact on the overall return of the Fund.

Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

Composition of Fund

Sector Exposure—Total	Long Exposure (% of Total)	Short Exposure (% of Total)	Net Exposure (% of Total)	Gross Exposure (% of Total)
North America	61.33	-39.20	22.13	100.53
Electric Utilities	12.91	N/A	12.91	12.91
Independent Power & Renewable Electricity Producers	9.84	-0.89	8.94	10.73
Construction & Engineering	9.18	N/A	9.18	9.18
Electrical Equipment	7.95	-3.13	4.82	11.08
Industrial Conglomerates	7.17	N/A	7.17	7.17
Multi-Utilities	3.41	-3.78	-0.36	7.19
Trading Companies & Distributors	2.98	-2.08	0.89	5.06
Semiconductors & Semiconductor Equipment	2.37	-0.81	1.56	3.17
Road & Rail	1.85	-2.90	-1.05	4.75
Automobiles	1.55	-4.00	-2.45	5.56
Electronic Equipment, Instruments & Components	1.50	N/A	1.50	1.50
Oil, Gas & Consumable Fuels	0.64	N/A	0.64	0.64
Software	N/A	-0.08	-0.08	0.08
IT Services	N/A	-0.09	-0.09	0.09
Entertainment	N/A	-0.09	-0.09	0.09
Metals & Mining	N/A	-0.38	-0.38	0.38
Water Utilities	N/A	-1.00	-1.00	1.00
Chemicals	N/A	-1.89	-1.89	1.89
Machinery	N/A	-2.06	-2.06	2.06
Industrials	N/A	-4.50	-4.50	4.50
Equity Index	N/A	-7.57	-7.57	7.57
Europe	10.16	-9.62	0.54	19.78
Multi-Utilities	5.40	N/A	5.40	5.40
Electric Utilities	2.08	-0.03	2.05	2.11
Electrical Equipment	1.26	N/A	1.26	1.26
Chemicals	0.82	N/A	0.82	0.82
Auto Components	0.61	N/A	0.61	0.61
Independent Power & Renewable Electricity Producers	N/A	-0.40	-0.40	0.40
Oil, Gas & Consumable Fuels	N/A	-0.43	-0.43	0.43
Marine	N/A	-1.27	-1.27	1.27
Automobiles	N/A	-3.16	-3.16	3.16
Currency Derivatives	N/A	-4.32	-4.32	4.32

Sector Exposure—Total	Long Exposure (% of Total)	Short Exposure (% of Total)	Net Exposure (% of Total)	Gross Exposure (% of Total)
Asia Pacific	7.78	-6.24	1.54	14.02
Equity Index	3.61	-0.90	2.71	4.51
Chemicals	2.05	N/A	2.05	2.05
Household Durables	1.12	N/A	1.12	1.12
Machinery	1.00	N/A	1.00	1.00
Marine	N/A	-0.23	-0.23	0.23
Electronic Equipment, Instruments & Components	N/A	-1.27	-1.27	1.27
Currency Derivatives	N/A	-3.84	-3.84	3.84
Global and Emerging Markets	3.57	-0.91	2.65	4.48
Automobiles	2.42	N/A	2.42	2.42
IT Services	1.15	N/A	1.15	1.15
Currency Derivatives	N/A	-0.91	-0.91	0.91

What Are the Key Risks?

The value of shares in the Fund and income received from it can go down as well as up and investors may not get back the full amount invested. Performance may also be affected by currency fluctuations. Currency fluctuations may affect the value of overseas investments. The Fund seeks to achieve its investment objective by investing primarily in equity and equity-related securities of companies active in the global utility sector worldwide, as well as in derivatives. Such securities and investment instruments have historically been subject to price movements that may occur suddenly due to market or company-specific factors, or fluctuations in currency markets. As a result, the performance of the Fund can fluctuate significantly over relatively short time periods.

Other significant risks include: counterparty risk, foreign currency risk, derivative instruments risk, equity risk, emerging markets risk. For full details of all of the risks applicable to this Fund, please refer to the "Risk Considerations" section of the Fund in the current prospectus of Franklin Templeton Alternative Funds.

Important Information

This fund has been classified as Article 8 under the Regulation on sustainability related disclosures in the financial services sector (EU) 2019/2088. These are Funds which have an ESG integration approach and, in addition, have binding environmental and/or social characteristics in their investment process.

Further information in relation to the sustainability-related aspects of the Fund can be found at www.franklinresources.com/countries. Please review all of the fund's objectives and characteristics before investing.

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For the avoidance of doubt, if you make a decision to invest, you will be buying units/shares in the Fund and will not be investing directly in the underlying assets of the Fund.

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Portfolio Exposure:

Gross Exposure: Gross exposure is the sum of the absolute value of all exposures, directly or through derivatives, as a percentage of total assets. The sum of the percentage of long positions and short (in absolute terms) positions.

Net Exposure: Net exposure is the sum of the total value of all exposures, directly or through derivatives, as a percentage of total assets. The percentage value of the long positions less the percentage value of the short positions.

Long Exposure: Sum of the long exposures, directly or through derivatives, as a percentage of total assets.

Short Exposure: Sum of the short exposures, directly or through derivatives, as a percentage of total assets.

Performance Benchmarks: Benchmarks provided for additional performance comparison are for informational purposes only; the fund manager does not intend for the portfolio to track them.

The Secured Overnight Financing Rate (SOFR) is provided as an absolute return benchmark. The MSCI World Utilities Sector Index includes securities that are classified in the Utilities sector as per the Global Industry Classification Standard.

Performance Fee: 18% a year of any returns the Fund achieves above the Hurdle, Secured Overnight Financing Rate (SOFR) +3%. The Performance Fee becomes due in the event of outperformance, that is, if the increase in the NAV during the relevant Performance Period (after deduction of any subscription and/or redemption fees levied) exceeds the Hurdle over the same period. For more information, please see the Fund's prospectus.

Top Exposures: The Top Long and Short Exposures represent the largest long and short equity issuer exposures of Franklin K2 Electron Global UCITS Fund as of the date indicated. Issuer exposures include actual security holdings and single security exposures obtained through the use of derivatives. Direct security holdings and derivatives exposures are combined for calculation purposes. These direct holdings and derivatives do not represent all of the securities purchased, sold or recommended for advisory clients, and the reader should not assume that investment in securities of the issuers listed was or will be profitable.

Value-at-Risk (VAR): The expected maximum potential one-month loss at a 95% confidence level, calculated based on the Fund's holdings as of the report date using a historical simulation methodology.